

CALIFORNIA

OCCUPATIONAL GUIDES

REAL ESTATE SALES AGENTS

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INTEREST AREA
ENTERPRISING



WHAT DOES A REAL ESTATE SALES AGENT DO?

REAL ESTATE SALES AGENTS help their clients buy and sell real estate. Working through a real estate broker, Agents perform a valuable service for both the buyer and seller by arranging the transfer of property.

Real Estate Sales Agents must perform several tasks to complete transactions. They help buyers find the appropriate property that meets their needs and financial resources. Agents routinely use computers to identify potential properties that match customers' needs. They research comparable listings and make preliminary estimates to set the selling price of property. To anticipate prospective buyers' questions, Agents must be familiar with the condition,

features, and special characteristics of the property as well as the availability of transportation, schools, and shopping.

Once a buyer is found, Real Estate Sales Agents prepare a purchase agreement. They may refer clients to lawyers and tax consultants to resolve legal and tax issues. Agents coordinate the work of title or escrow companies, lenders, home inspectors, and pest control operators until the transaction is finished. Real Estate Sales Agents may specialize in selling apartment buildings, residential, recreational, commercial, industrial, or farm property. Agents also become involved in leasing arrangements, particularly in the commercial field.

A number of real estate brokerage firms use a computerized loan processing system—real estate application contract transmission (REACT). This system allows Agents to qualify the buyer electronically and approve a mortgage within an hour, pending verification of data provided and an appraisal. By using this computerized system, Agents expect to significantly reduce the time usually required to sell homes to qualified buyers.

Real Estate Sales Agents perform the following tasks:

- Display commercial, industrial, agricultural, and residential properties to clients and explain their features.
- Investigate clients' financial and credit status in order to determine eligibility for financing.
- Appraise properties to determine loan values.
- Promote sales of properties through advertisements, open houses, and participation in multiple listing services.
- Locate and appraise undeveloped areas for building sites, based on evaluation of area market conditions.
- Secure construction or purchase financing with own firm or mortgage company.

- Answer clients' questions regarding construction work, financing, maintenance, repairs, and appraisals.
- Review plans for new construction with clients, enumerating and recommending available options and features.
- Prepare documents such as representation contracts, purchase agreements, closing statements, deeds and leases.
- Coordinate property closings, overseeing signing of documents and disbursement of funds.
- Review property listings, trade journals, and relevant literature, and attend conventions, seminars, and staff and association meetings in order to remain knowledgeable about real estate markets.
- Conduct seminars and training sessions for sales agents in order to improve sales techniques.
- Solicit and compile listings of available rental properties.
- Interview clients to determine what kinds of properties they are seeking.
- Inspect condition of premises, and arrange for necessary maintenance or notify owners of maintenance needs.

WHAT SKILLS ARE IMPORTANT?

Important skills, knowledge, and abilities for Real Estate Sales Agents include:

- Speaking – Talking to others to effectively convey information.
- Reading Comprehension – Understanding written sentences and paragraphs in work-related documents.
- Active Listening – Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times.
- Social Perceptiveness – Being aware of others' reactions and understanding why they react as they do.
- Sales and Marketing – Knowledge of principles and methods for showing, promoting, and selling products or services. This includes marketing strategy and tactics, product demonstration, sales techniques, and sales control systems.
- Law and Government – Knowledge of laws, legal codes, court procedures, precedents, government regulations, executive orders, agency rules, and the democratic political process.
- Economics and Accounting – Knowledge of economic and accounting principles and practices, the financial markets, banking, and the analysis and reporting of financial data.
- English Language – Knowledge of the structure and content of the English language including the meaning and spelling of words, rules of composition, and grammar.
- Oral Comprehension – The ability to listen to and understand information and ideas presented through spoken words and sentences.
- Number Facility – The ability to add, subtract, multiply, or divide quickly and correctly.
- Speech Clarity – The ability to speak clearly so others can understand you.

WHAT'S THE WORK ENVIRONMENT?

Real Estate Sales Agents spend part of their working day in pleasant, well-lighted brokers' offices. However, most of their time is spent outside the office, as they may use their own car to transport prospective buyers to see property, put up "for sale" signs on property sites, contact leads, and visit new property listings. Agents may establish a sales office on-site at a new development, often in the garage or another room of a model home. Many Agents feature Sunday afternoon "open house" to encourage potential buyers to visit available property. Showing houses creates some risk of personal safety to Agents working alone in an unlocked house.

Union Membership

There has been little or no unionization of this occupation.

WHAT'S THE CALIFORNIA JOB OUTLOOK?

The following information is from the occupational projections produced by the Employment Development Department (EDD) Labor Market Information Division (LMID):

Real Estate Sales Agents

Estimated number of workers in 2002:	8,400
Estimated number of workers in 2012:	10,700
Projected Growth 2002-2012:	27.4%
Est. openings due to separations by 2012:	1,700

These figures do not include self-employment.

This occupation will grow faster than average compared with all occupations in California.

There will be a total of 4,000 job opportunities in this occupation during the projections period.

Trends

While most property sales leads come from traditional sources, some Agents in metropolitan areas now advertise listings on local television and radio stations. These productions, usually billed as "home shows" are aired weekends.

WHAT DOES THE JOB PAY?

California Earnings

The following information is from the Occupational Employment Statistics Survey of Employers by EDD/LMID:

Real Estate Sales Agents 2005 Wages

Hourly wages range from	\$15.14	to	\$42.32
Average hourly wage	\$31.10		
Average annual wage	\$64,677		

These figures do not include self-employment.

Real Estate Sales Agents are usually paid on a straight commission basis determined by agreement between the broker and the Agent. Earnings will vary widely among Agents because of the geographic area in which they work and the

amount of time and energy put into the job. Beginning Agents with good sales ability can expect to earn from \$10,000 to \$50,000 or more, per year. Experienced Agents can expect to earn between \$20,000 and \$150,000; even higher earnings are possible in some coastal areas and in labor markets with a strong potential for new industry and jobs. However, income is never consistent and must be budgeted to allow for wide variations in time and amount of earnings. Agents' reputation for integrity and service will be the key determining factor in their success.

Hours

Normal workweeks are 40 to 48 hours. A few Agents work on a part-time basis while they learn the business, or to provide a second income source. There is no set pattern for hours of work or number of working days per week. Agents can expect to work on weekends and evenings to accommodate the diverse needs of their customers.

Benefits

Benefits are seldom offered since most Agents are independent contractors. Vacations are usually not compensated and are normally taken during slack periods.

HOW DO I PREPARE FOR THE JOB?

Education and Training

Since a real estate license is necessary, the education and training of a Real Estate Sales Agent is geared toward acquiring one. The required education and training consists of a college-level course in real estate principles plus two additional courses approved by the Department of Real Estate. (Typically, these courses are in general accounting or economics.) The areas covered by the examination are: knowledge of English, arithmetical computation common to real estate practices, real estate and business transactions, and the obligations and ethics of real estate transactions. To prepare for the sales agent license examination, candidates may take real estate courses in community colleges and private real estate schools. There are now Board-approved correspondence courses, some featuring videotaped training sessions.

These programs are especially helpful to new Agents who must complete course requirements while working hours that may conflict with traditional classroom training. Many brokers now express a preference for Agents whose background includes some college.

To locate educational programs for Real Estate Sales Agents use www.cpec.ca.gov/collegeguide/collegeguide.asp.

Licensing and Certification

Real Estate Sales Agents must be licensed by the California Department of Real Estate. All applicants for the license must be at least 18 years old and must pass an examination administered by the California Department of Real Estate. An examination fee of \$25 is charged, and the cost for licensing and fingerprinting is \$176. The license is renewable every four years at a cost of \$120. Applicants who have completed only the real estate principles coursework may qualify for a provisional license through the examination process, but must complete the other two courses within 18 months of license issuance.

Continuing Education

Many employers have classroom and continuing in-house training for both beginning and experienced Agents.

HOW DO I FIND THE JOB?

Direct application to employers remains one of the most effective job search methods. Most Real Estate Sales Agents are employed in the real estate industries.

Search these **yellow page** headings for listings of private firms:

- Real Estate
- Real Estate Developers and Developments

The following Internet resources can be helpful to the job search process:

America's Career InfoNet
www.acinet.org

America's Job Bank
www.ajb.dni.us

CalJOBSSM
www.caljobs.ca.gov

Job Search and Resume Writing
www.worksmart.ca.gov/success_tips_menu.html

Local Job Service Offices
www.edd.ca.gov/jsrep/jsloc.htm

Occupational Information Network (O*NET) Online
<http://online.onetcenter.org>

One-Stop Career Centers List
www.edd.ca.gov/ONE-STOP/pic.htm

For statewide and local projections, wages, employers by county, and other occupational information go to www.labormarketinfo.edd.ca.gov and select *Find an Occupation Profile*.

WHERE CAN THE JOB LEAD?

Becoming a real estate broker is the typical career path for Real Estate Sales Agents. Many of them join the National Association of Realtors as associate members. Agents may also advance to the positions of sales, training, operations, and office manager. Some Real Estate Sales Agents advance to real estate appraiser positions by taking the required course work offered at many community colleges and universities.

OTHER SOURCES OF INFORMATION

National Association of Realtors
430 North Michigan Avenue
Chicago, IL 60611
(800) 874-6500
www.realtor.org

California Department of Real Estate
2201 Broadway
Sacramento, CA 95818
(916) 227-0931
www.dre.cahwnet.gov

CA Division of Apprenticeship Standards
For the closest district office, visit
www.dir.ca.gov/DAS/das.html

RELATED OCCUPATIONAL GUIDES

Right-of-Way Agents	No. 226
Real Estate Appraisers	No. 228
Property and Real Estate Managers	No. 423

OCCUPATIONAL CODE REFERENCES

SOC <i>(Standard Occupational Classification)</i>	
Real Estate Sales Agents	41-9022

O*NET <i>(Occupational Information Network)</i>	
Real Estate Sales Agents	41-9022.00

OES <i>(Occupational Employment Statistics)</i>	
Sales Agents, Real Estate	43008